

United States Bankruptcy Court
Northern District of California

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): Kranem Corporation	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): AKA Kranem Corp.; FDBA Learningwire.com	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all) 02-0585306	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)
Street Address of Debtor (No. and Street, City, and State): 560 S. Winchester Blvd., Suite 500 San Jose, CA	Street Address of Joint Debtor (No. and Street, City, and State):
ZIP Code 95128-2500	ZIP Code
County of Residence or of the Principal Place of Business: Santa Clara	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address):	Mailing Address of Joint Debtor (if different from street address):
ZIP Code	ZIP Code
Location of Principal Assets of Business Debtor (if different from street address above):	

Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13
Chapter 15 Debtors Country of debtor's center of main interests: Each country in which a foreign proceeding by, regarding, or against debtor is pending:	TAX-EXEMPT ENTITY (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.
		Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.

Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.											THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000											
Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion											
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion											

Voluntary Petition <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): Kranem Corporation	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)			
Location Where Filed: - None -	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: - None -	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A		Exhibit B	
(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)		(To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b).	
<input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.		X _____ Signature of Attorney for Debtor(s) (Date)	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue			
(Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property			
(Check all applicable boxes)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
<hr/> (Name of landlord that obtained judgment)			
<hr/> (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and <input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition. <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):
Kranem Corporation**Signatures****Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.
 [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.
 [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X

Signature of Debtor

X

Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signature of Attorney***X** /s/ Kathryn S. Diemer

Signature of Attorney for Debtor(s)

Kathryn S. Diemer 133977

Printed Name of Attorney for Debtor(s)

DIEMER, WHITMAN & CARDOSI, LLP

Firm Name

**75 East Santa Clara Street, Suite 290
San Jose, CA 95113**

Address

408-971-6270 Fax: 408-971-6271

Telephone Number

November 25, 2013

Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X /s/ Edward Miller

Signature of Authorized Individual

Edward Miller

Printed Name of Authorized Individual

Chief Financial Officer

Title of Authorized Individual

November 25, 2013

Date

Case: 13-56118 Doc# 1 Filed: 11/25/13

Entered: 11/25/13 11:22:58 Page 3 of 48

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.

Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X

Signature of Foreign Representative

Printed Name of Foreign Representative

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.)(Required by 11 U.S.C. § 110.)

Address

X

Date

Signature of bankruptcy petition preparer or officer, principal, responsible person,or partner whose Social Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. §110; 18 U.S.C. §156.

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor(s)

Case No.
Chapter**11**

EXHIBIT "A" TO VOLUNTARY PETITION

1. If any of the debtor's securities are registered under Section 12 of the Securities Exchange Act of 1934, the SEC file number is **000-53563**.
2. The following financial data is the latest available information and refers to the debtor's condition on **December 31, 2012**.

a. Total assets	\$ 15,843,141.00	
b. Total debts (including debts listed in 2.c., below)	\$ 8,948,519.00	
c. Debt securities held by more than 500 holders:		Approximate number of holders:
secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated <input type="checkbox"/>	\$ 0.00	0
secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated <input type="checkbox"/>	\$ 0.00	0
secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated <input type="checkbox"/>	\$ 0.00	0
secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated <input type="checkbox"/>	\$ 0.00	0
secured <input type="checkbox"/> unsecured <input type="checkbox"/> subordinated <input type="checkbox"/>	\$ 0.00	0
d. Number of shares of preferred stock	491,702	13
e. Number of shares common stock	20,926,251	70

Comments, if any:

3. Brief description of Debtor's business:
Security Software Developer

4. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of debtor:

Investco
Empire Capital
Extant
Fecund
Ajay Batheja
Shapol Investments

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor(s)

Case No.

Chapter **11**

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Ajay Batheja 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Ajay Batheja 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Wages		277,500.00
Asher Enterprises, Inc. 1 Linden Place, Suite 207 Great Neck, NY 11021	Asher Enterprises, Inc. 1 Linden Place, Suite 207 Great Neck, NY 11021	Vendor		30,424.79
Christopher L. Rasmussen, Esq. 1260 McKendrie Street San Jose, CA 95126	Christopher L. Rasmussen, Esq. 1260 McKendrie Street San Jose, CA 95126	Legal Services		132,650.00
Classity Inc. 20697 Fargo Drive Cupertino, CA 95014-1903	Classity Inc. 20697 Fargo Drive Cupertino, CA 95014-1903	Vendor		4,250.00
CT Corporation PO Box 4349 Carol Stream, IL 60197-4349	CT Corporation PO Box 4349 Carol Stream, IL 60197-4349	Vendor		365.00
Danilo Cacciamatta 1360 Temple Hills Drive Laguna Beach, CA 92651	Danilo Cacciamatta 1360 Temple Hills Drive Laguna Beach, CA 92651	Vendor		26,676.71
De Joya Griffith & Company 2850 Anthem Village Drive Henderson, NV 89052	De Joya Griffith & Company 2850 Anthem Village Drive Henderson, NV 89052	Audit Services	Disputed	169,492.17
Edward Miller 556 Cheyenne Drive Sunnyvale, CA 94087	Edward Miller 556 Cheyenne Drive Sunnyvale, CA 94087	Wages		347,500.00
Empire Capital Partners One Gorham Island Westport, CT 06880	Empire Capital Partners One Gorham Island Westport, CT 06880	Loan		192,542.47
First American Stock Transfer, Inc. 4747 North 7th Street Suite 170 Phoenix, AZ 85014-3677	First American Stock Transfer, Inc. 4747 North 7th Street Suite 170 Phoenix, AZ 85014-3677	Vendor		1,878.20

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim [if secured, also state value of security]</i>
Franchise Tax Board Attn: Special Procedures PO Box 2952 MS-A340 Sacramento, CA 95812	Franchise Tax Board Attn: Special Procedures PO Box 2952 MS-A340 Sacramento, CA 95812	Taxes		1,600.00
Investco Geneva Place Water Front Drive Tortola, British Virgin Islands	Investco Geneva Place Water Front Drive	Loan		440,054.79
Luigi Caramico 608 Waterbury Lane San Mateo, CA 94404	Luigi Caramico 608 Waterbury Lane San Mateo, CA 94404	Wages		357,500.00
Newsfile Corp. 1430-1188 W. Georgia Street Vancouver, BC V6E 4A2 Canada	Newsfile Corp. 1430-1188 W. Georgia Street Vancouver, BC V6E 4A2	Vendor		2,018.00
Paul G. Sherer 360 Leland Avenue Palo Alto, CA 94306	Paul G. Sherer 360 Leland Avenue Palo Alto, CA 94306	Wages		158,320.55
Pillsbury Winthrop Shaw Pittman, LLP File #72391 PO Box 60000 San Francisco, CA 94160-2391	Pillsbury Winthrop Shaw Pittman, LLP File #72391 PO Box 60000 San Francisco, CA 94160-2391	Legal Services		412,551.41
Pratap "Bob" Kondamoori 595 Lariat Circle, Unit 1 Incline Village, NV 89451	Pratap "Bob" Kondamoori 595 Lariat Circle, Unit 1 Incline Village, NV 89451	Wages		366,000.00
Square Milner LLP 4100 Newport Place Suite 300 Newport Beach, CA 92660	Square Milner LLP 4100 Newport Place Suite 300 Newport Beach, CA 92660	Legal Services		17,000.00
Xalted Holding Corporation 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Xalted Holding Corporation 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Loan		337,367.16

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Chief Financial Officer of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date November 25, 2013

Signature /s/ Edward Miller
Edward Miller
Chief Financial Officer

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor

Case No. _____

Chapter _____

11

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	0.00		
B - Personal Property	Yes	3	6,401,000.00		
C - Property Claimed as Exempt	No	0			
D - Creditors Holding Secured Claims	Yes	2		453,587.62	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	3		1,508,420.55	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	4		1,767,270.70	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No	0			N/A
J - Current Expenditures of Individual Debtor(s)	No	0			N/A
Total Number of Sheets of ALL Schedules		15			
		Total Assets	6,401,000.00		
			Total Liabilities	3,729,278.87	

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor

Case No. _____

Chapter _____

11

STATISTICAL SUMMARY OF CERTAIN LIABILITIES AND RELATED DATA (28 U.S.C. § 159)

If you are an individual debtor whose debts are primarily consumer debts, as defined in § 101(8) of the Bankruptcy Code (11 U.S.C. § 101(8)), filing a case under chapter 7, 11 or 13, you must report all information requested below.

Check this box if you are an individual debtor whose debts are NOT primarily consumer debts. You are not required to report any information here.

This information is for statistical purposes only under 28 U.S.C. § 159.

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	
Claims for Death or Personal Injury While Debtor Was Intoxicated (from Schedule E) (whether disputed or undisputed)	
Student Loan Obligations (from Schedule F)	
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	
TOTAL	

State the following:

Average Income (from Schedule I, Line 16)	
Average Expenses (from Schedule J, Line 18)	
Current Monthly Income (from Form 22A Line 12; OR, Form 22B Line 11; OR, Form 22C Line 20)	

State the following:

1. Total from Schedule D, "UNSECURED PORTION, IF ANY" column		
2. Total from Schedule E, "AMOUNT ENTITLED TO PRIORITY" column		
3. Total from Schedule E, "AMOUNT NOT ENTITLED TO PRIORITY, IF ANY" column		
4. Total from Schedule F		
5. Total of non-priority unsecured debt (sum of 1, 3, and 4)		

In re

Kranem Corporation

Case No.

Debtor

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

Unexpired Leases. If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
--------------------------------------	---	------------------------------------	--	-------------------------

None

Sub-Total > **0.00** (Total of this page)

Total >

0.00

(Total of this page)

0 continuation sheets attached to the Schedule of Real Property

(Report also on Summary of Schedules)

In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property." If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		Comerica Bank Checking Account Account No. XXXX		1,000.00
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			
			Sub-Total > (Total of this page)	1,000.00

2 continuation sheets attached to the Schedule of Personal Property

In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.		Xalted Networks, Inc. Location: 560 S. Winchester Blvd., Suite 500, San Jose CA 95128-2500		4,100,000.00
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
16. Accounts receivable.		RDS Labs, S.R.L. Rome, Italy		800,000.00
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X			
Sub-Total >				4,900,000.00
(Total of this page)				

Sheet 1 of 2 continuation sheets attached
to the Schedule of Personal Property

In re **Kranem Corporation**

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY

(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
22. Patents, copyrights, and other intellectual property. Give particulars.		Data Retention Patents	-	1,500,000.00
23. Licenses, franchises, and other general intangibles. Give particulars.	X			
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment, and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			

Sub-Total > **1,500,000.00**
 (Total of this page)
 Total > **6,401,000.00**

Sheet 2 of 2 continuation sheets attached
 to the Schedule of Personal Property

(Report also on Summary of Schedules)

In re **Kranem Corporation**
Debtor

Case No. _____

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion" on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODEBTO R H W J C	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T		AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
				U N L I Q U I D A T E D	D I S P U T E D		
Account No.			UCC-1				
Cape One Financial Master Fund Ltd 410 Park Avenue, Suite 1500 New York, NY 10022-9441					X	294,619.99	0.00
Value \$			10,000,000.00				
Account No.			UCC-1				
M/S Family Foundation 641 5th Street Lakewood, NJ 08701-2702						116,576.25	0.00
Value \$			10,000,000.00				
Account No.			UCC-1				
Peter J. Dacey 92 Cromwall Lane Guilford, CT 06437-1668					X	14,130.46	0.00
Value \$			10,000,000.00				
Account No.			UCC-1				
Vineyard Group LLC 127 Cedar Street Branford, CT 06405-3012						14,130.46	0.00
Value \$			10,000,000.00				
1 continuation sheets attached					Subtotal (Total of this page)	439,457.16	0.00

In re Kranem Corporation,
Debtor

Case No. _____

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	CODEBTOR H W J C	Husband, Wife, Joint, or Community	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
				T	D	E		
Account No.								
Vineyard Point Associates, LLC 320 Vineyard Point Road Guilford, CT 06437-3255	-		UCC-1					
			Value \$ 10,000,000.00				14,130.46	0.00
Account No.								
			Value \$					
Account No.								
			Value \$					
Account No.								
			Value \$					
Account No.								
			Value \$					
Sheet 1 of 1 continuation sheets attached to Schedule of Creditors Holding Secured Claims				Subtotal (Total of this page)			14,130.46	0.00
				Total (Report on Summary of Schedules)			453,587.62	0.00

In re **Kranem Corporation**

Case No. _____

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets) **Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

 Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

 Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$12,475* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

 Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

 Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$6,150* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

 Deposits by individuals

Claims of individuals up to \$2,775* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

 Taxes and certain other debts owed to governmental units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

 Commitments to maintain the capital of an insured depository institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507 (a)(9).

 Claims for death or personal injury while debtor was intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* Amount subject to adjustment on 4/01/16, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

In re Kranem Corporation,
Debtor

Case No. _____

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS
(Continuation Sheet)**Wages, salaries, and commissions****TYPE OF PRIORITY**

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	CODE DEBTOR H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	TYPE OF PRIORITY				AMOUNT NOT ENTITLED TO PRIORITY, IF ANY	AMOUNT ENTITLED TO PRIORITY
			C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM		
Account No.								
Ajay Batheja 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	-	Wages					265,025.00	
							277,500.00	12,475.00
Account No.								
Edward Miller 556 Cheyenne Drive Sunnyvale, CA 94087	-	Wages					335,025.00	
							347,500.00	12,475.00
Account No.								
Luigi Caramico 608 Waterbury Lane San Mateo, CA 94404	-	Wages					345,025.00	
							357,500.00	12,475.00
Account No.								
Paul G. Sherer 360 Leland Avenue Palo Alto, CA 94306	-	Wages					145,845.55	
							158,320.55	12,475.00
Account No.								
Pratap "Bob" Kondamoori 595 Lariat Circle, Unit 1 Incline Village, NV 89451	-	Wages					353,525.00	
							366,000.00	12,475.00
Sheet <u>1</u> of <u>2</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Priority Claims						Subtotal (Total of this page)	<u>1,444,445.55</u>	
							<u>1,506,820.55</u>	<u>62,375.00</u>

In re Kranem Corporation,
Debtor

Case No. _____

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS
(Continuation Sheet)**Taxes and Certain Other Debts
Owed to Governmental Units****TYPE OF PRIORITY**

CREDITOR'S NAME, AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	CODEBTOR H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM	TYPE OF PRIORITY				AMOUNT NOT ENTITLED TO PRIORITY, IF ANY	AMOUNT ENTITLED TO PRIORITY	
			C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM			
Account No.		* Noticing Purposes Only *							
Employment Development Department State of California Bankruptcy Unit - MIC 92E PO Box 826880 Sacramento, CA 94280	-						0.00		
Account No.		Taxes					0.00	0.00	
Franchise Tax Board Attn: Special Procedures PO Box 2952 MS-A340 Sacramento, CA 95812	-								
Account No.		* Noticing Purposes Only *					1,600.00	1,600.00	
Internal Revenue Service Centralized Insolvency Operations P.O. Box 7346 Philadelphia, PA 19101-7346	-						0.00		
Account No.							0.00	0.00	
Account No.									
Account No.									
Sheet <u>2</u> of <u>2</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Priority Claims							Subtotal (Total of this page)	<u>0.00</u>	<u>1,600.00</u>
								<u>1,600.00</u>	<u>1,600.00</u>
							Total (Report on Summary of Schedules)	<u>1,444,445.55</u>	<u>63,975.00</u>
								<u>1,508,420.55</u>	<u>63,975.00</u>

In re **Kranem Corporation** Debtor

Case No. _____

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

3 continuation sheets attached

Subtotal Total of this page)	167,324.79
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In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODE DEBTOR H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
Account No.		Vendor				
CT Corporation PO Box 4349 Carol Stream, IL 60197-4349	-					365.00
Account No.		Vendor				
Danilo Cacciamatta 1360 Temple Hills Drive Laguna Beach, CA 92651	-					26,676.71
Account No.		Audit Services				
De Joya Griffith & Company 2850 Anthem Village Drive Henderson, NV 89052	-				X	169,492.17
Account No.		Loan				
Empire Capital Partners One Gorham Island Westport, CT 06880	-					192,542.47
Account No.		Vendor				
First American Stock Transfer, Inc. 4747 North 7th Street Suite 170 Phoenix, AZ 85014-3677	-					1,878.20
Sheet no. <u>1</u> of <u>3</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims			Subtotal (Total of this page)			<u>390,954.55</u>

In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	CODE H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CONTINGENT	UNLIQUIDATED	DISPUTED	AMOUNT OF CLAIM
Account No.		Loan				
Investco Geneva Place Water Front Drive Tortola, British Virgin Islands	-					440,054.79
Account No.		**Noticing Purposes Only**				
Lorna Walker Sweet & Walker, P.C. Post Office Box 27558 San Francisco, CA 94127-0558	-					0.00
Account No.		Vendor				
Newsfile Corp. 1430-1188 W. Georgia Street Vancouver, BC V6E 4A2 Canada	-					2,018.00
Account No.		Legal Services				
Pillsbury Winthrop Shaw Pittman, LLP File #72391 PO Box 60000 San Francisco, CA 94160-2391	-					412,551.41
Account No.		Legal Services				
Square Milner LLP 4100 Newport Place Suite 300 Newport Beach, CA 92660	-					17,000.00
Sheet no. <u>2</u> of <u>3</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims			Subtotal (Total of this page)			871,624.20

In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B E T O R H W J C	Husband, Wife, Joint, or Community DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	CON T I N G E N T	U N L I Q U I D A T E D	DIS P U T E D	AMOUNT OF CLAIM
Account No.		**Noticing Purposes Only**				
United States Attorney Civil Division 450 Golden Gate Avenue San Francisco, CA 94102	-					0.00
Account No.		Loan				
Xalted Holding Corporation 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	-					337,367.16
Account No.						
Account No.						
Account No.						
Sheet no. <u>3</u> of <u>3</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims			Subtotal (Total of this page)			<u>337,367.16</u>
			Total (Report on Summary of Schedules)			<u>1,767,270.70</u>

In re

Kranem Corporation

Case No. _____

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
Rockefeller Group - Business Centers 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Office Lease Expires January 31, 2014
SISL Networks, Inc. 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Office Sub-Lease Expires September 30, 2013 Then Month-to-Month

In re Kranem Corporation, Case No. _____,
Debtor

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR

NAME AND ADDRESS OF CREDITOR

United States Bankruptcy Court
Northern District of California

In re Kranem Corporation

Debtor(s)

Case No.
Chapter

11

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Chief Financial Officer of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 17 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date November 25, 2013

Signature /s/ Edward Miller
Edward Miller
Chief Financial Officer

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor(s)

Case No.
Chapter**11**

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any persons in control of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; and any managing agent of the debtor. 11 U.S.C. § 101(2), (31).

1. Income from employment or operation of business

None State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
\$800,000.00	2011: Debtor Business Income

2. Income other than from employment or operation of business

None State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT	SOURCE
--------	--------

3. Payments to creditors

None

Complete a. or b., as appropriate, and c.

a. *Individual or joint debtor(s) with primarily consumer debts:* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING
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None

b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$6,225*. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
SISL Networks, Inc. 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500		\$0.00	\$0.00

None

c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
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4. Suits and administrative proceedings, executions, garnishments and attachments

None

a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
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None

b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY
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* Amount subject to adjustment on 4/01/16, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

5. Repossessions, foreclosures and returns

None

List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
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6. Assignments and receiverships

None

a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
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None

b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
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7. Gifts

None

List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT
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8. Losses

None

List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
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9. Payments related to debt counseling or bankruptcy

None

List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYER IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
DIEMER, WHITMAN & CARDOSI, LLP 75 East Santa Clara Street, Suite 290 San Jose, CA 95113	5/24/13 - Peter and Hilary Richards \$30,000 5/29/13 - Ajay Batheja \$5,000	\$35,000.00 (initial retainer plus \$1,213.00 Chapter 11 filing fee)

10. Other transfers

None a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFeree, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
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None b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY
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11. Closed financial accounts

None List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING
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12. Safe deposit boxes

None List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
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13. Setoffs

None List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
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14. Property held for another person

None List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
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15. Prior address of debtor

None If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS
**1080 O'Brien Drive
Menlo Park, CA 94025**

NAME USED
Kranem Corp.

DATES OF OCCUPANCY
May 2011 to November 2011

16. Spouses and Former Spouses

None If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

None a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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None b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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None c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION
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18 . Nature, location and name of business

None

a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

LAST FOUR DIGITS OF
SOCIAL-SECURITY OR
OTHER INDIVIDUAL
TAXPAYER-I.D. NO.

NAME	(ITIN)/ COMPLETE EIN	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
Kranem Corporation	02-0585306	560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Developer of Security Software	May 2011 - Present

None b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME	ADDRESS
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The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

(An individual or joint debtor should complete this portion of the statement only if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)

19. Books, records and financial statements

None

a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS	DATES SERVICES RENDERED
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None b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME	ADDRESS	DATES SERVICES RENDERED
De Joya Griffith & Company	2850 Anthem Village Drive Henderson, NV 89052	July 2011 to November 2012

None c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME	ADDRESS
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None d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within **two years** immediately preceding the commencement of this case.

NAME AND ADDRESS

DATE ISSUED

20. Inventories

None a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY	INVENTORY SUPERVISOR	DOLLAR AMOUNT OF INVENTORY (Specify cost, market or other basis)
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None b. List the name and address of the person having possession of the records of each of the inventories reported in a., above.

DATE OF INVENTORY	NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY RECORDS
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21 . Current Partners, Officers, Directors and Shareholders

None a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS	NATURE OF INTEREST	PERCENTAGE OF INTEREST
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None b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
Empire Capital Partners One Gorham Island Westport, CT 06880	Preferred Shareholder	Preferred Sharholders More than 5%
Ajay Batheja 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Chief Executive Officer	Preferred Shareholder More than 5%
Ed Miller 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Chief Financial Officer	Preferred Shareholder Less than 5%
Luigi Caramico 608 Waterbury Lane San Mateo, CA 94404	Vice President, Corporate Strategy	Preferred Shareholder Less than 5%
Christopher L. Rasmussen, Esq. 1260 McKendrie Street San Jose, CA 95126	General Counsel	Common Shareholder Less than 5%
Kamini Rupani 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Vice President, Marketing	Common Shareholder Less than 5%
Fecund Investments S.A. c/o Imprenord Me Limited Attn: Mr. Jeetendra Chauhan Jebel Ali Free Zone Dubai, UAE	Preferred Shareholder	Preferred Shareholder More than 5%
Extant Investments LTD c/o Imprenord ME Limited Attn Mr. Jeetendra Chuahan Jebel Ali Free Zone, Dubai, UAE	Preferred Shareholder	Preferred Shareholder More than 5%
Shopal Investments 46916 Zapotec Drive Fremont, CA 94539	Preferred Shareholder	Preferred Shareholder More than 5%

22 . Former partners, officers, directors and shareholders

None a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
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None b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS	TITLE	DATE OF TERMINATION
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23 . Withdrawals from a partnership or distributions by a corporation

None If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
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24. Tax Consolidation Group.

None If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER (EIN)
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25. Pension Funds.

None If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER (EIN)
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* * * * *

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date November 25, 2013

Signature /s/ Edward Miller
Edward Miller
Chief Financial Officer

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571

United States Bankruptcy Court
Northern District of California

In re Kranem Corporation

Debtor(s)

Case No.
Chapter

11

STATEMENT PURSUANT TO RULE 2016(B)

The undersigned, pursuant to Rule 2016(b), Bankruptcy Rules, states that:

1. The undersigned is the attorney for the debtor(s) in this case.
2. The compensation paid or agreed to be paid by the debtor(s), to the undersigned is:
 - a) For legal services rendered or to be rendered in contemplation of and in connection with this case
 - b) Prior to the filing of this statement, debtor(s) have paid
 - c) The unpaid balance due and payable is

\$	35,000.00
\$	35,000.00
\$	0.00
3. \$ **1,213.00** of the filing fee in this case has been paid.
4. The Services rendered or to be rendered include the following:
 - a. Analysis of the financial situation, and rendering advice and assistance to the debtor(s) in determining whether to file a petition under title 11 of the United States Code.
 - b. Preparation and filing of the petition, schedules, statement of affairs and other documents required by the court.
 - c. Representation of the debtor(s) at the meeting of creditors.
5. The source of payments made by the debtor(s) to the undersigned was from earnings, wages and compensation for services performed, and **\$30,000 - Peter and Hilary Richards**
\$5,000 - Ajay Batheja
6. The source of payments to be made by the debtor(s) to the undersigned for the unpaid balance remaining, if any, will be from earnings, wages and compensation for services performed, and
7. The undersigned has received no transfer, assignment or pledge of property from debtor(s) except the following for the value stated:
8. The undersigned has not shared or agreed to share with any other entity, other than with members of undersigned's law firm, any compensation paid or to be paid except as follows:

Dated: November 25, 2013

Respectfully submitted,

/s/ Kathryn S. Diemer

Attorney for Debtor: **Kathryn S. Diemer**
DIEMER, WHITMAN & CARDOSI, LLP
75 East Santa Clara Street, Suite 290
San Jose, CA 95113
408-971-6270 Fax: 408-971-6271

United States Bankruptcy Court
Northern District of California

In re **Kranem Corporation**

Debtor

Case No. _____

Chapter _____

11

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Ajay Batheja 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Preferred - Restricted	30704	Stock
Alexi Bergron 283 Columbine Street, Suite 124 Denver, CO 80206	Common	22500	Stock
Andrew George Villa #17, Sector B3 Jumeirah Village Triangle Dubai	Common - Restricted	70588	Stock
Andrew Noal Rust 677 Lafayette Street Denver, CO 80218	Common	337500	Stock
Anjila Stimack 10601 W. 79th Place Arvada, CO 80005	Common	45000	Stock
Anne Brady 1643 Gregory Street San Diego, CA 92102	Common - Restricted	1000	Stock
Anne Brady 1643 Gregory Street San Diego, CA 92102	Common	4000	Stock
Barbara Rankin 1692 W. Canal Circle Pueblo, CO 81007	Common	2500	Stock
Beach Bums, LLC 2925 N. 67th Place Scottsdale, AZ 85251	Common	624375	Stock
Belinda Rust 522 E. Ellsworth Street Denver, CO 80209	Common	18000	Stock
Brenda Campbell PO Box 510 Boulder, CO 80306	Common	9000	Stock

In re

Kranem Corporation

Case No. _____

Debtor

LIST OF EQUITY SECURITY HOLDERS

(Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Brian White 11132 Larkspur Court Corona, CA 92883	Common	3000	Stock
C O Connely Co 4875 S. Monaco Street, Unit 508 Denver, CO 80237	Common	13500	Stock
Cape One Financial Master Fund Ltd 410 Park Avenue, Suite 1500 New York, NY 10022-9441	Common - Restricted	308642	Stock
Cape One Financial Master Fund Ltd 410 Park Avenue, Suite 1500 New York, NY 10022-9441	Common - Restricted	111111	Stock
Carole Renne 29 Amaranth Drive Littleton, CO 80127	Common	67500	Stock
CCN Worldwide 2925 N. 67th Place Scottsdale, AZ 85251	Common	701900	Stock
CEDE & CO PO Box 222 Bowling Green Station New York, NY 10274	Common	2088939	Stock
Christina Sowers 5901 E. Marita Street Long Beach, CA 90815	Common	2500	Stock
Daniel Walters PO Box 8633 La Jolla, CA 92038	Common	35400	Stock
Danilo Cacciamatta 1360 Temple Hills Drive Laguna Beach, CA 92651	Preferred - Restricted	10000	Stock
Debbie Deaton 2800 Winter Way Parker, CO 80138	Common	22500	Stock
Deborah Connelly 6266 S. Emira Circle Englewood, CO 80111	Common	13500	Stock

In re **Kranem Corporation** _____, Case No. _____
Debtor

LIST OF EQUITY SECURITY HOLDERS
(Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Deborah Kinnes 10212 Fifth Ave WE, Suite 140 Seattle, WA 98125	Common	22500	Stock
Delores Barrett 2456 S. Revere Way Aurora, CO 80014	Common	45000	Stock
Denise Gibe 11873 Swansea Drive Parker, CO 80134	Common	45000	Stock
Denise Hollis c/o Jackl Company 283 Columbine Street Denver, CO 80206	Common	22500	Stock
Donna Schultz PO Box 4790 Dillon, CO 80435	Common	112500	Stock
Edward Miller 556 Cheyenne Drive Sunnyvale, CA 94087	Preferred - Restricted	6667	Stock
Elventy One Inc 400 E 3rd Avenue, #1102 Denver, CO 80203	Common	216625	Stock
Empire Capital Partners One Gorham Island Westport, CT 06880	Preferred - Restricted	29916.7	Stock
Empire Capital Partners One Gorham Island Westport, CT 06880	Preferred - Restricted	10676.4	Stock
Entheos Bellas 283 Columbine Street, Suite 124 Denver, CO 80206	Common	22500	Stock
Eric Roth 6142 Puma Sands Lone Tree, CO 80124	Common	3000	Stock
Extant Investments LTD c/o Imprenord Me Limited Attn: Jeetendra Chauhan Jebel Ali Free Zone Dubai, UAE	Preferred - Restricted	52354	Stock

LIST OF EQUITY SECURITY HOLDERS
 (Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Fecund Investments SA c/o Imprenord Me Limited Attn: Jeetendra Chauhan Jebel Ali Free Zone Dubai, UAE	Preferred - Restricted	52354	Stock
Fred Rogers 785 Carr Street Denver, CO 80214	Common	56250	Stock
Gary Nelson PO Box 1525 Longmont, CO 80502	Common	45000	Stock
Harvey Levin 255 Dolphin Point, PH-8 Clearwater Beach, FL 33767	Common	56250	Stock
Helen French 2218 Emerson Street Denver, CO 80205	Common	117000	Stock
Investco Geneva Place Water Front Drive Tortola, British Virgin Islands	Preferred - Restricted	66481	Stock
Jackyl Company 283 Columbine, #124 Denver, CO 80206	Common	7000	Stock
Jenni Graz PO Box 19041 Denver, CO 80209	Common	22500	Stock
Jennifer Sparlin-Druck 140 Park Avenue Pine, CO 80470	Common	2500	Stock
John Vierthaler 9419 Erin Lane Littleton, CO 80127	Common	112500	Stock
Joseph Montante 2973 Breakwater Drive, Suite B Longmont, CO 80503	Common	22500	Stock
Larry Duncan 7040 Ukraine Street Aurora, CO 80016	Common	5000	Stock

Debtor

LIST OF EQUITY SECURITY HOLDERS

(Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Lisa Larson 738 Nighthawk Circle Louisville, CO 80027	Common	22500	Stock
Luigi Caramico 608 Waterbury Lane San Mateo, CA 94404	Preferred - Restricted	3333	Stock
M/S Family Foundation 641 5th Street Lakewood, NJ 08701-2702	Common - Restricted	100000	Stock
Martin S. Roth 5271 Serene View Way Parker, CO 80134	Common	3000	Stock
Michael Grove 4540 Nelson Drive Broomfield, CO 80020	Common - Restricted	45000	Stock
Michael Grove 4540 Nelson Drive Broomfield, CO 80020	Common - Restricted	180000	Stock
Michael K. Lindeman 5875 S. Pitkin Street Aurora, CO 80016	Common	3000	Stock
Mike Cruz Duran 4400 Rawhide Road, #166 Pueblo, CO 81008	Common	3000	Stock
Mindy Wolpa 9335 E. Asbury Place Denver, CO 80231	Common	3500	Stock
Natlie Frank 1931 South Madison Street Denver, CO 80210	Common	13500	Stock
Peter J. Dacey 92 Cornwall Lane Guilford, CT 06437-1668	Common - Restricted	14814	Stock
Peter Richards 1 Gorham Island Westport, CT 06880	Common - Restricted	1196664	Stock

In re **Kranem Corporation** _____, Case No. _____
Debtor

LIST OF EQUITY SECURITY HOLDERS
(Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Peter Richards c/o Empire Capital Partners LP 1 Gorham Island Westport, CT 06880	Preferred - Restricted	14958.3	Stock
Potomac Investments LLC 11125 Colonial Country Lane Charlotte, NC 28277	Common	5000	Stock
RA Bills LLC 38 Spur Circle Scottsdale, AZ 85251	Common	140625	Stock
Real Estate Investment 353 S. Wetmore Drive Pueblo, CO 81007	Common	2500	Stock
Richard A. Huser 6725 Meridian Street Indianapolis, IN 46260	Common	21000	Stock
Robert Arnold 325 Kearney Street Denver, CO 80220	Common	22500	Stock
Robert B. Luman 10527 Jaguar Point Lone Tree, CO 80124	Common	90000	Stock
Robert Newell 2540 S. Holly Street Denver, CO 80222	Common	112500	Stock
Sarah Duncan 10375 East Harvard Avenue, #400 Denver, CO 80203	Common	1000	Stock
Scott Smith 6407 Windmill Court Laramie, WY 82070	Common	11250	Stock
Shane Sowers 5901 E. Marita Street Long Beach, CA 90815	Common	3000	Stock
Shopal Investments 46916 Zapotec Drive Fremont, CA 94539	Preferred - Restricted	30000	Stock

In re

Kranem Corporation

Case No. _____

Debtor

LIST OF EQUITY SECURITY HOLDERS

(Continuation Sheet)

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Stephen K. Smith 26 Carriage House Lane Austin, TX 78737	Common - Restricted	45000	Stock
Stephen K. Smith 26 Carriage House Lane Austin, TX 78737	Common - Restricted	180000	Stock
Stephen Tebo 1590 Broadway Street Boulder, CO 80302	Common	663750	Stock
Sue Ellen Goss 6874 Raspberry Run Littleton, CO 80125	Common	168750	Stock
Vineyard Group LLC 127 Cedar Street Branford, CT 06405-3012	Common - Restricted	14814	Stock
Vineyard Point Associates, LLC 320 Vineyard Point Road Guilford, CT 06437-3255	Common - Restricted	14814	Stock
VR Ranganath 560 S. Winchester Blvd. Suite 500 San Jose, CA 95128	Preferred - Restricted	3248	Stock
W M Stephens 15901 Deer Ridge Drive Morrison, CO 80465	Common	56250	Stock
Walter O. Schultz PO Box 1957 Dillon, CO 80435	Common	112500	Stock
Wu & Company 3936 Tipperary Court Yorba Linda, CA 92886	Preferred - Restricted	1000	Stock
Xalted Holding Corporation 560 S. Winchester Blvd., Suite 500 San Jose, CA 95128-2500	Preferred - Restricted	116342.2	Stock
Yavonne Jennings 2820 Autumn Way Parker, CO 80138	Common	18000	Stock

In re **Kranem Corporation**, Case No. _____,
Debtor

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Chief Financial Officer of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date November 25, 2013

Signature /s/ Edward Miller
Edward Miller
Chief Financial Officer

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C §§ 152 and 3571.

**United States Bankruptcy Court
Northern District of California**

In re Kranem Corporation

Debtor(s)

Case No.
Chapter

11

CREDITOR MATRIX COVER SHEET

I declare that the attached Creditor Mailing Matrix, consisting of 4 sheets, contains the correct, complete and current names and addresses of all priority, secured and unsecured creditors listed in debtor's filing and that this matrix conforms with the Clerk's promulgated requirements.

Date: November 25, 2013

/s/ Kathryn S. Diemer

Signature of Attorney

Kathryn S. Diemer

DIEMER, WHITMAN & CARDOSI, LLP

75 East Santa Clara Street, Suite 290

San Jose, CA 95113

408-971-6270 Fax: 408-971-6271

Ajay Batheja
560 S. Winchester Blvd., Suite 500
San Jose, CA 95128-2500

Asher Enterprises, Inc.
1 Linden Place, Suite 207
Great Neck, NY 11021

Burak, Anderson & Melloni, PLC
30 Main Street
Gateway Square
Post Office Box 787
Burlington, VT 05402-0787

Cape One Financial Master Fund Ltd
410 Park Avenue, Suite 1500
New York, NY 10022-9441

Christopher L. Rasmussen, Esq.
1260 McKendrie Street
San Jose, CA 95126

Classity Inc.
20697 Fargo Drive
Cupertino, CA 95014-1903

CT Corporation
PO Box 4349
Carol Stream, IL 60197-4349

Danilo Cacciamatta
1360 Temple Hills Drive
Laguna Beach, CA 92651

De Joya Griffith & Company
2850 Anthem Village Drive
Henderson, NV 89052

Edward Miller
556 Cheyenne Drive
Sunnyvale, CA 94087

Empire Capital Partners
One Gorham Island
Westport, CT 06880

Employment Development Department
State of California
Bankruptcy Unit - MIC 92E
PO Box 826880
Sacramento, CA 94280

First American Stock Transfer, Inc.
4747 North 7th Street
Suite 170
Phoenix, AZ 85014-3677

Franchise Tax Board
Attn: Special Procedures
PO Box 2952 MS-A340
Sacramento, CA 95812

Internal Revenue Service
Centralized Insolvency Operations
P.O. Box 7346
Philadelphia, PA 19101-7346

Investco
Geneva Place
Water Front Drive
Tortola, British Virgin Islands

Lorna Walker
Sweet & Walker, P.C.
Post Office Box 27558
San Francisco, CA 94127-0558

Luigi Caramico
608 Waterbury Lane
San Mateo, CA 94404

M/S Family Foundation
641 5th Street
Lakewood, NJ 08701-2702

Newsfile Corp.
1430-1188 W. Georgia Street
Vancouver, BC V6E 4A2
Canada

Paul G. Sherer
360 Leland Avenue
Palo Alto, CA 94306

Peter J. Dacey
92 Cromwall Lane
Guilford, CT 06437-1668

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PO Box 60000
San Francisco, CA 94160-2391

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595 Lariat Circle, Unit 1
Incline Village, NV 89451

Rockefeller Group - Business Centers
560 S. Winchester Blvd., Suite 500
San Jose, CA 95128-2500

SISL Networks, Inc.
560 S. Winchester Blvd., Suite 500
San Jose, CA 95128-2500

Square Milner LLP
4100 Newport Place
Suite 300
Newport Beach, CA 92660

United States Attorney
Civil Division
450 Golden Gate Avenue
San Francisco, CA 94102

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127 Cedar Street
Branford, CT 06405-3012

Vineyard Point Associates, LLC
320 Vineyard Point Road
Guilford, CT 06437-3255

Xalted Holding Corporation
560 S. Winchester Blvd., Suite 500
San Jose, CA 95128-2500

United States Bankruptcy Court
Northern District of California

In re Kranem Corporation

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11

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for Kranem Corporation in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

■ None [*Check if applicable*]

November 25, 2013

Date

/s/ Kathryn S. Diemer

Kathryn S. Diemer

Signature of Attorney or Litigant
Counsel for Kranem Corporation
DIEMER, WHITMAN & CARDOSI, LLP
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